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**FISCAL IMPACT STATEMENT**

**LS 7124**

**BILL NUMBER:** HB 1250

**NOTE PREPARED:** Jan 12, 2004

**BILL AMENDED:**

**SUBJECT:** Riley Hospital for Children Special Group Plates.

**FIRST AUTHOR:** Rep. Frizzell

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the Bureau of Motor Vehicles (BMV) to design and issue a special group recognition license plate for the Riley Hospital for Children. It provides that a person who is eligible to register a vehicle may obtain a Riley Hospital for Children license plate upon completing an application and paying the appropriate fee. The bill provides for an annual distribution of fees from the plate to the James Whitcomb Riley Hospital for Children.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** This license plate already exists. This proposal changes the manner in which the license plate can be purchased by requiring the BMV to have the plate available at the license branches as opposed to ordering the license plate through the Riley Foundation.

The bill provides that the Commissioner of the Bureau of Motor Vehicles shall administer the Riley Hospital for Children Fund. Expenses of administering the Fund shall be paid from the Fund.

**Explanation of State Revenues:** *Revenue from Administrative Fee of \$15:* An administrative fee of \$15 is charged for each of the Riley Hospital for Children license plates. Revenue from this fee is distributed as follows: the State License Branch Fund, which supports the license branches, receives \$9; and the Motor Vehicle Highway Account, which supports the BMV, receives \$6.

In 2003, sales of the existing 54 special plates ranged from 50 Food Bank Trust plates to 100,083 Children's Trust plates, with revenue resulting from the existing \$15 administrative fee ranging from a minimum of \$750 to a maximum of \$1,501,245. Sales of the Riley Hospital plate were 4,650 plates, resulting in revenue from the administrative fee of about \$69,750.

*Revenue from Annual Fee of \$25:* The bill provides for a \$25 annual fee for the license plate. The Riley Hospital for Children Fund also is established into which the revenue is deposited. Revenue resulting from the \$25 annual fee ranged from \$1,250 to \$2,502,075 for the 54 special plates. Based on the 4,650 Riley Hospital plates sold in CY 2003, the \$25 fee would generate about \$116,250. On June 30 of each year the Commissioner of the BMV shall distribute revenue from the newly created license plate to the James Whitcomb Riley Hospital for Children.

NOTE: The change in how the Riley Hospital for Children license plate is purchased, making it easier to acquire, may increase its sales.

Money in the Riley Hospital for Children Fund at the end of a state fiscal year does not revert to the state General Fund. It should be noted that it is possible that any additional sales of this special plate could, to some extent, supplant the sales of other existing special plates. The Riley Hospital license plate will be available after December 31, 2004.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Bureau of Motor Vehicles; Department of Correction (PEN Products).

**Local Agencies Affected:**

**Information Sources:** Becky Gillam, Sales and Marketing Director of PEN Products, 387-2020; Bureau of Motor Vehicles license plate data for 2002.

**Fiscal Analyst:** James Sperlik, 317-232-9866.